



Norman H. Bangerter  
Governor  
Dee C. Hansen  
Executive Director  
Dianne R. Nielson, Ph.D.  
Division Director

# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

DOGMI  
MINERALS PROGRAM  
FILE COPY

September 28, 1989

Mr. Robert J. Mackenzie  
Rosebud Mining Company  
150 West 300 South  
Mt. Pleasant, Utah 84647

Dear Mr. Nielson:

Re: Review of Notice of Intention to Commence Small Mining Operations, Rosebud Placer Project, S/041/005, Sevier County, Utah

The Division has completed its initial review of your Plan of Operations for the proposed Rosebud Placer Project in Sevier County, Utah. I apologize for the unforeseen delay in directing this response to you. I will direct a copy of this letter to the Beaver Ranger District. They will be the lead agency coordinating the review of your project.

You have indicated that there will be less than 5 acres disturbed at any one time without prior approval of reclamation. Therefore, we have reviewed your application pursuant to our rules governing small mining operations.

Your small mining application is incomplete. The following information must be provided to the Division before we can make a final completeness determination.

### ***Rule R613-003-105. Project Location Map***

The operator has provided xeroxed copies of project area maps. The overall clarity of the maps is poor.

1. We could discern very little information from the photo copy of the aerial photograph. A new photo is not necessary unless the operator intends to point out **and label** certain features that are pertinent to the proposed operation.
2. The Trail Mountain 7.5 minute topographic map entitled "Anomalous Geomagnetism" was also illegible. We assume that the operator must have used a highlighting felt marker on the original map, and that these marks did not copy onto the xerox print. A revised map is not necessary unless the anomalous areas are important for determining the mining sequence and the number of areas to be impacted by mining.
3. The Trail Mountain, 7.5 minute topographic map, entitled "Property Boundary, Area of Operations" was difficult to interpret. There are a series of numbers (#2 - 8) that had been penciled onto the original map. These did not copy well. What is the significance of these numbers?

The area where the operator anticipates beginning the actual mining (SP Claims) was not indicated on this map. Please provide a revised map(s) which clearly outlines the projected area of initial surface disturbance and the proposed disturbed area boundary.

The operator has also indicated that there is mining related surface disturbance already evident in this area. What is the extent of this disturbance and will the new operator re-disturb these areas? The operator will be held responsible for reclamation of all new surface disturbances. Previously disturbed areas that are redisturbed or used as part of the proposed mining operation will also become part of the new operator's reclamation liability.

The mill/processing site location (Morrison Millsite Claims) should also be labelled and outlined on the map(s). Please indicate the disturbed acreage proposed for the millsite.

***Rule R613-003-107.2 Operation Practices/Drainages***

The operator has indicated that the proposed mill/processing site will be located in the vicinity of the junction of Mill Creek and Sevier Creek. A projected mine life was not identified in the plan. We assumed a 5-year mine life. At a minimum, the Division recommends that the proposed facilities be located above the 25-year flood plain level. We will defer to the Forest Service for their final determination in this regard.

***Rule R613-003-107.4 Operation Practices/Deleterious Materials***

The operator has indicated that the mined out pits will be backfilled with the processed tailings. The plan indicates that the concentrates will be chemically vat leached. No indication of the type of chemicals to be used were identified in the plan.

The processed tailings must be properly neutralized, or otherwise treated, to remove any residual deleterious or potentially deleterious material (i.e., chemicals) before returning the tailings to the excavated pits.

***Rule R613-003-107.6 Operation Practices/Concurrent Reclamation***

The Division supports the operator's proposal for concurrent reclamation of disturbed areas as mining progresses. However, prior to expanding mining operations beyond the five (5) acre limit, the Division and Forest Service must determine that the disturbed area has been successfully reclaimed.

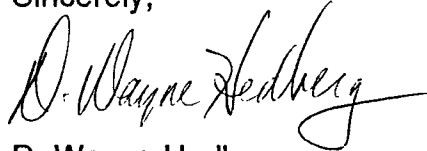
Page 3  
Mr. Robert Mackenzie  
S/031/005  
September 28, 1989

**Rule R613-003-113. Mine Enlargement**

Before enlarging small mining operations beyond five (5) acres of surface disturbance, the operator must file a Notice of Intention to "Commence Large Mining Operations and receive formal Division approval. A reclamation surety is required for all mining operations exceeding five acres of surface disturbance.

If possible, please provide the requested information by October 15, 1989. We will review the technical detail of this information and provide our response within two weeks of our receipt. Thank you for your patience and cooperation in completing this permitting action.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Wayne Hedberg", with a stylized, flowing script.

D. Wayne Hedberg  
Senior Reclamation Specialist/  
Hydrologist

DWH/jb  
cc: Rob Hamilton, USFS, Beaver Ranger District  
Lowell Braxton  
Don Ostler, State Health Dept.  
Morrell Nielson  
MN3/86-88